

## ChromaDex® Reports Second Quarter Ingredient Sales Grew 155% Year-Over-Year and 52% Sequentially

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IRVINE, Calif., Aug. 12, 2014 /PRNewswire/ -- ChromaDex® Corp. (OTCQB: CDXC), an innovative natural products company that provides proprietary, ingredients and science-based solutions to the dietary supplement, food and beverage, animal health, cosmetic and pharmaceutical industries, announced today the financial results for the quarter ended June 28, 2014.

For the three months ended June 28, 2014 ("Q2 2014"), the Company reported net sales of \$3,856,154, an increase of approximately 42% as compared to \$2,706,896 for the three months ended June 29, 2013 ("Q2 2013"). This increase was largely due to increased sales in the proprietary ingredient segment which grew to \$1,721,872, an increase of 155% as compared to the sales of \$674,175 in Q2 2013 and a sequential increase of 52% as compared to ingredient sales of \$1,136,309 in Q1 2014.

The net loss attributable to common stock holders for Q2 2014 was \$1,653,142 or (\$0.02) per share as compared to a net loss of \$1,020,866 or (\$0.01) per share for Q2 2013. The non-cash, stock-based compensation expense related to stock options and other stock-based compensation in Q2 2014 was \$1,036,608. Excluding non-cash, share-based compensation expense, which is a "non-GAAP measure," would have the effect of decreasing the Company's net loss for the three months ended June 28, 2014 to \$616,534. As of June 28, 2014, cash, cash equivalents and marketable securities totaled approximately \$1,280,627.

Frank Jaksch, Jr., CEO and co-founder of ChromaDex, commented, "We are pleased to report that the increase in sales we experienced in Q1 in our ingredient segment accelerated in the second quarter. We are beginning to see increased inclusion of our patented ingredients in a growing number of consumer products and we are happy to report that we expect this trend to continue. Based on visibility of sales activity from existing customers and our business development pipeline, we anticipate steady growth in our ingredient segment to continue for the foreseeable future."

Jaksch continued, "Also important is our recently announced initiation of separate clinical trials of both our **NIAGEN™ nicotinamide riboside** and **PUREENERGY™** caffeine alternative. Coupled with other active collaborations with numerous leading universities and research institutes studying the health benefits of NIAGEN™, we anticipate results from these studies will be an incredible driver with respect to building consumer awareness for the ingredient. These studies will also be very important for validating the potential of NIAGEN™ as a pharmaceutical candidate."

Recent Company highlights include:

- In April 2014, **Thorne Research** announced the launch of **NiaCel™**, an innovative nutritional supplement that supports endurance, energy, and healthy aging. NiaCel™ is one of the first commercially available products to feature the ingredient NIAGEN™ from ChromaDex. Paul Jacobson, the CEO of Thorne Research, stated "NIAGEN is one of the most innovative new ingredients developed in the past decade."
- In April 2014, ChromaDex provided an update on its previously announced \$62 million, four-year ingredient supply and brand licensing agreement with 5LINX®, one of the largest and fastest-growing direct marketing companies in the world. ChromaDex's CEO stated, "early indications are that 5LINX® will likely easily exceed the first year minimum ingredient purchase requirements set out in our agreement".
- In May 2014, 5LINX® launched at its international training event in Atlantic City three new products which

contain and feature NIAGEN™ and/or PUREENERGY®- **Hi5 Edge, Hi5 Boost, and Hi5 Lean.**

- In May 2014, ChromaDex announced the initiation of the second human clinical study for PUREENERGY®, its patented caffeine ingredient. The study will build on the results from the first PUREENERGY® human study, which was performed in the summer of 2013. The new clinical trial will study the bioavailability and pharmacokinetics of PUREENERGY® as compared to caffeine and pTeroPure® pterostilbene alone at repeated doses.
- In June 2014, ChromaDex announced it had licensed exclusive rights from Dartmouth College for several patents related to pharmaceutical use of nicotinamide riboside (NR). The new licensed patents include protection for human therapeutic uses of NR and build upon the patents licensed from Dartmouth in 2012 for other human uses and production methods of NR. Mr. Jaksch commented, "The acquisition of these additional Dartmouth patent rights allows for ChromaDex to commercialize NR as a drug. Together with our existing patent portfolio pertaining to NR, we believe our ownership of these new patent rights creates a significant and meaningful barrier to entry for would-be competitors in the entire NAD+ precursor market."
- During the second quarter, ChromaDex announced separate material transfer and research agreements for its patented ingredient technologies with St. Jude Children's Research Hospital, Wageningen University in the Netherlands, the Novo Nordisk Foundation Center for Basic Metabolic Research at University of Copenhagen, Denmark, and Brazilian Biosciences National Laboratory (LNBio).
- In July 2014, ChromaDex announced it had appointed **Nobel Laureate Roger Kornberg** to Chair the Company's newly formed Scientific Advisory Board. The SAB will be comprised of leading researchers, chemists, biochemists and nutritionists, with an emphasis on those having expertise in nicotinamide riboside.
- In July 2014, ChromaDex announced the initiation of the first human clinical study for NIAGEN™ which is designed to determine the pharmacokinetics (PK) and bioavailability of NR as well as provide information about an effective dose range in humans. Most importantly, this study aims to confirm earlier animal studies conducted by various universities and research institutes, which showed that oral dosing of the compound results in an increased level of nicotinamide adenine dinucleotide (NAD+) and NAD+ metabolites in the body.

**About ChromaDex:** ChromaDex is an innovative natural products company that discovers, acquires, develops and commercializes proprietary-based ingredient technologies through its unique business model that utilizes its wholly owned synergistic business units, including ingredient technologies, natural product fine chemicals (known as "phytochemicals"), chemistry and analytical testing services, and product regulatory and safety consulting (as Spherix Consulting). The company provides seamless science-based solutions to the nutritional supplement, food and beverage, animal health, cosmetic and pharmaceutical industries. The ChromaDex ingredient technologies unit includes products backed with extensive scientific research and intellectual property. Its ingredient portfolio includes pTeroPure® pterostilbene; ProC3G®, a natural black rice containing cyanidin-3-glucoside; PUREENERGY™, a caffeine-pTeroPure co-crystal; and NIAGEN™, its recently launched branded nicotinamide riboside, a novel next-generation B vitamin. To learn more about ChromaDex, visit [www.chromadex.com](http://www.chromadex.com).

**Forward-Looking Statements:** This release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended. Statements that are not a description of historical facts constitute forward-looking statements and may often, but not always, be identified by the use of such words as "expects", "anticipates", "intends", "estimates", "plans", "potential", "possible", "probable", "believes", "seeks", "may", "will", "should", "could" or the negative of such terms or other similar expressions. Actual results may differ materially from those set forth in this release due to the risks and uncertainties inherent in the Company's business. More detailed information about the Company and the risk factors that may affect the realization of forward-looking statements is set forth in the Company's Annual Report on Form 10-K for the fiscal year ended December 28, 2013, the Company's Quarter Reports on Form 10-Q and other filings submitted by the Company to the SEC, copies of which may be obtained from the SEC's website at [www.sec.gov](http://www.sec.gov). Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof. All forward-looking statements are qualified in their entirety by this cautionary statement and the Company undertakes no obligation to revise or update this release to reflect events or circumstances after the date hereof.

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ChromaDex Corporation and Subsidiaries

Condensed Consolidated Statements of Operations (Unaudited)

For the Three Month Periods Ended June 28, 2014 and June 29, 2013

	June 28, 2014	June 29, 2013
Sales, net	\$ 3,856,154	\$ 2,706,896
Cost of sales	2,457,388	1,746,158
<b>Gross profit</b>	<b>1,398,766</b>	<b>960,738</b>
Operating expenses:		
Sales and marketing	571,548	631,559
General and administrative	2,468,646	1,342,280
Operating expenses	3,040,194	1,973,839
<b>Operating loss</b>	<b>(1,641,428)</b>	<b>(1,013,101)</b>
Nonoperating income (expense):		
Interest income	305	296
Interest expense	(12,019)	(8,061)
Nonoperating expenses	(11,714)	(7,765)
<b>Net loss</b>	<b>\$ (1,653,142)</b>	<b>\$ (1,020,866)</b>
Basic and Diluted loss per common share	\$ (0.02)	\$ (0.01)
Basic and Diluted weighted average common shares outstanding	106,185,584	99,833,963

See Notes to Condensed Consolidated Financial Statements.

Quantitative Reconciliation of the differences between the non-GAAP measure and the associated comparable GAAP measure

Consolidated Statements of Operations (US GAAP)	Effects of Non-cash Charges associated with Share-based Compensation Expense		Consolidated Statements of Operations Excluding Share-based Compensation (Non-GAAP Presentation)
For the Three Months Ended June 28, 2014 and June 29, 2013	June 28, 2014	June 29, 2013	For the Three Months Ended June 28, 2014 and June 29, 2013
Sales, net	\$ 3,856,154	\$ 2,706,896	Sales \$ 3,856,154 \$ 2,706,896
Cost of sales	2,457,388	1,746,158	Cost of sales 2,457,388 1,746,158
<b>Gross profit</b>	<b>1,398,766</b>	<b>960,738</b>	<b>Gross profit 1,398,766 960,738</b>
Operating expenses:			Operating expenses:
Sales and marketing	571,548	631,559	Sales and marketing 571,548 631,559
General and administrative	2,468,646	1,342,280	General and administrative 1,432,038 965,521
Operating expenses	3,040,194	1,973,839	Operating expenses 2,003,586 1,597,080

Operating loss	(1,641,428)	(1,013,101)	Operating income	1,036,608	376,759	Operating loss	(604,820)	(636,342)
Nonoperating income (expense):			Nonoperating income:			Nonoperating income (expense):		
Interest income	305	296	Interest income	-	-	Interest income	305	296
Interest expense	(12,019)	(8,061)	Interest expense	-	-	Interest expense	(12,019)	(8,061)
Nonoperating expense	(11,714)	(7,765)	Nonoperating income	-	-	Nonoperating expense	(11,714)	(7,765)
Net loss	\$ (1,653,142)	\$ (1,020,866)	Net income	\$ 1,036,608	\$ 376,759	Net loss	\$ (616,534)	\$ (644,107)
Basic and Diluted loss per common share	\$ (0.02)	\$ (0.01)	Basic and Diluted income per common share	\$ 0.01	\$ 0.00	Basic and Diluted loss per common share	\$ (0.01)	\$ (0.01)
Basic and Diluted weighted			Basic and Diluted weighted			Basic and Diluted weighted		
average common shares outstanding	106,185,584	99,833,963	average common shares outstanding	106,185,584	99,833,963	average common shares outstanding	106,185,584	99,833,963

SOURCE ChromaDex